

**Amendments to the Specification**

Please replace paragraph [0081] with the following paragraph:

[0081] The borehole azimuth at the lower sensor set 120 may be described as follows:

$$BoreholeAzimuth = ReferenceAzimuth + DeltaAzimuth \quad \text{Equation 18}$$

where the reference azimuth is the azimuth value at the upper sensor set 110 and where:

$$DeltaAzimuth = \frac{Beta}{1 - \sin((Inc1 + Inc2)/2)} \quad \text{Equation 19}$$

and:

$$Beta = \arctan\left(\frac{(Gx2 * Gy1 - Gy2 * Gx1) * \sqrt{Gx1 * Gy1 * Gz1}}{Gz2 * (Gx1^2 + Gy1^2) + Gz1 * (Gx2 * Gx1 + Gy2 * Gy1)}\right) \quad \text{Equation 20}$$

$$Beta = \arctan\left(\frac{(Gx2 * Gy1 - Gy2 * Gx1) * \sqrt{Gx1^2 + Gy1^2 + Gz1^2}}{Gz2 * (Gx1^2 + Gy1^2) + Gz1 * (Gx2 * Gx1 + Gy2 * Gy1)}\right) \quad \text{Equation 20}$$